

LEGISLATIVE BILL 293

Approved by the Governor February 17, 1999

Introduced by Matzke, 47; Baker, 44; D. Pederson, 42; Wickersham, 49

AN ACT relating to oil and gas wells; to create a fund; and to provide duties for the Nebraska Oil and Gas Conservation Commission relating to inactive wells.

Be it enacted by the people of the State of Nebraska,

Section 1. The Well Plugging and Abandonment Trust Fund is created. The Nebraska Oil and Gas Conservation Commission shall adopt and promulgate rules and regulations that provide for the collection of a fee for each inactive oil or gas well administered by the commission. The fee shall not exceed two hundred dollars per well per year and shall not be imposed unless an oil or gas well has been inactive for two years or longer. The commission shall remit such fees to the State Treasurer for credit to the fund. The fund shall be used by the commission for the purpose of plugging and abandoning oil or gas wells and completing the required surface restoration if the bonded operator is unable to fulfill such operator's financial obligation. Any money in the fund available for investment shall be invested by the state investment officer pursuant to the Nebraska Capital Expansion Act and the Nebraska State Funds Investment Act.